



Real Possibilities in

# Connecticut

Energy and Technology Committee

March 1, 2016

Testimony on Raised Senate Bill #103

***AN ACT CONCERNING THE RESPONSIBILITIES OF THE PROCUREMENT MANAGER  
OF THE PUBLIC UTILITIES REGULATORY AUTHORITY AND MINOR REVISIONS TO  
ENERGY-RELATED STATUTES***

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On behalf of AARP Connecticut and approximately 600,000 members in the state, AARP is testifying in opposition to the procurement manager provisions of Raised Senate Bill #103 and in favor of the third party electric supplier provision.

If passed in its current form, this bill would undo the progress Connecticut has made in how it procures Standard Service electricity on behalf of customers, who choose not to enter the third-party electric supply market. One of the key provisions of Public Act 11-80, *An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut's Energy Future*, created the position of power procurement manager within the Department of Energy and Environmental Protection (DEEP). Responsibilities for developing the state's electric procurement plans had previously rested with the public utility companies, CL&P and UI.

The procurement manager is charged with developing plans for the efficient purchase of electric power for Standard Service customers by the state's electric utility companies, which contributes to lower electric rates in the state. The procurement manager is responsible for devising annual plans that make a portfolio of power contracts available to the two main electric distribution companies – Eversource and United Illuminating (UI). The plans are reviewed and approved by the state's regulatory authority, the Public Utilities Regulatory Authority (PURA).

The creation of the office of procurement manager was one of the key reasons why AARP supported Public Act 11-80 back in 2011. Raised Bill #103 would eliminate the Office and transfer the responsibilities to one or more employees of PURA that they choose to designate from within the current employees. This will take away the expertise and stability that the procurement manager currently has. This change could undo the progress that has been made since the procurement manager position was created. This could destabilize Standard Service and reduce the competitiveness of Standard Service supply to the majority of state ratepayers who use Standard Service as their supply option.

AARP strongly supports the provisions of Raised Bill #103 in section 5 that would change the duration that a customer can terminate or cancel a third-party supplier renewal from not later than seven

business days after receiving notification to within the first two billing cycles of the renewed contract. This provision will provide better consumer protections for people who might miss a contract renewal notification or don't fully understand the provisions of their renewal.

We appreciate the opportunity speak on behalf of AARP today, and we encourage the Committee on Energy and Technology Committee to oppose provisions of this bill relating to the procurement manager.